

Ex. 51

Barbara Armstrong
Consumer Problems
Alabama Secretary of State
11 South Union
Montgomery, Al

January 15, 2001

Hello Ms Armstrong:

I was given you name to address this complaint.

I'm dealing with what I believe is a very serious problem with my mortgage company. HOUSEHOLD FINANCIAL SERVICES purchased my mortgage less than a year ago, from another Mortgage Company. While attempting to establish an equity loan in my home via a second mortgage or other device, I discovered this company is not chartered to write loans in Alabama.

I called your office, and someone there gave me a phone number to call in Chicago. This was to have been some consumer officer at Household Finance headquarters in Chicago. He verified that he was not able to write loans in Alabama. Following some discussion, he gave me the number of an affiliate in Florida. The affiliate confirmed they were not chartered to write loans in Alabama. However, he claimed to have some way around that problem.

We began to do what I thought were the normal things to process such a loan. Then they began to ask for more and more information. Then the requests for more and more information became endless. When they began to ask for my tax returns, I tried to explain that as a politician, I was not about to release my tax returns. They could go no further at that point.

I accuse them of some kind of a stall or of dodging the fact they can't write loans. I want to know how it is legally possible they can purchase my mortgage and then not have the ability to service that mortgage.

This comes at the worst possible time. 2000 was a bad year for my business. I now have a tremendous backlog of business ready to start, and I have no capital to pay expenses until I earn some revenue on that new business. That was why I needed the loan.

I find it criminally ironic and fraudulent that an out of state firm would be allowed to purchase my mortgage and then not have to provide me further business services on that loan. I don't know what the appropriate legal action is in this case. It is blatantly clear to me this practice needs to cease immediately.

Please advise!

George D. McCarley
211 Chestnut St.
Roanoke, Al 36274

334-863-6489